

**Public Safety Personnel Retirement System  
Local Pension Board Meeting Agenda  
Superstition Fire & Medical District**

**PURSUANT TO A.R.S. §38.431.02**

Notice is hereby given to the general public the Superstition Fire & Medical District (SFMD) Public Safety Personnel Retirement System Local Pension Board will hold a meeting on Monday, July 20, 2015. The meeting will be held at the Superstition Fire & Medical District's Administrative Office, located at 565 N. Idaho Road, Apache Junction, Arizona. The meeting will be open to the general public and will begin at 4:00 pm local time.

**AGENDA:**

- A. Call to Order.
- B. Pledge of Allegiance.
- C. Roll Call.

*The following items are to be discussed at the board meeting; action or decisions may or may not be taken on any or all items. Agenda items may or may not be considered in the order listed:*

1. Review and possible approval of the April 7, 2015 Local Pension Board meeting minutes.
2. Call to Public.  
A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.  
**Scheduled:** none at time of printing
3. Swearing in of Reuben Briones who is filling the Board position vacated by Ryan Philips' resignation.
4. Discuss Local Pension Board member and Board Secretary training events scheduled for August and September. (Informational only.)
5. Announcements and Information.
6. Adjourn.

Notice: The Local Pension Board may go into Executive Session for the purpose of obtaining legal advice from the Fire District's attorney(s) on any of the above agenda items pursuant to A.R.S. 38-431.03(A)(3). One or more members of the Local Pension Board may attend the meeting telephonically.

Local Pension Board meeting agenda dated and posted:

On: July 13, 2015  
At: 1730 hours  
By: Roger Wood

**Local Pension Board Meeting – July 20, 2015**

**Agenda Item: 1**

**Agenda Item Title:** Review and possible approval of the April 7, 2015 Local Pension Board meeting minutes.

**Background / Discussion:**

The Local Pension Board meeting minutes are provided for Local Board review, comment, and approval. After approval, minutes are signed and kept as official public record and a copy is sent to Public Safety Personnel Retirement System.

**Recommended Motion:** *(please read motion as written)*

*Motion to approve the April 7, 2015 Local Pension Board meeting minutes.*

**Enclosure:** Local Pension Board Meeting Minutes from April 7, 2015.



***Superstition Fire & Medical District***  
565 North Idaho Road, Apache Junction, AZ 85119  
Phone (480) 982-4440, Fax (480) 982-0183  
[www.ajfire.org](http://www.ajfire.org)



**Public Safety Personnel Retirement System**  
**Local Pension Board Meeting Minutes**

**April 7, 2015**

PURSUANT TO A.R.S. 38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUPERSTITION FIRE & MEDICAL DISTRICT (“SFMD”) PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (“PSPRS”), THE LOCAL PENSION BOARD HELD A MEETING ON TUESDAY, APRIL 7, 2015. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT’S ADMINISTRATION OFFICE, AT 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA. THE MEETING WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 4:05 P.M.

- D. Chairperson Gene Gehrt called the meeting to order at 4:05 p.m.
- E. The Pledge of Allegiance was led by Board Member Jim Geil.
- F. Roll Call showed Local Board Member Chairperson Gene Gehrt, Local Board Member Jim Geil, and Local Board Member Carlos Rivera were present. Local Board Members Ruth Heer and Ryan Philips were absent. Also present was Assistant Chief Mike Farber and Local Board Secretary Roger Wood.
7. *Review and possible approval of the December 22, 2014 Local Pension Board meeting minutes.*

Motion by Local Board Member Geil to approve the December 22, 2014 Local Pension Board meeting minutes. Seconded by Board Member Rivera. Vote 3 ayes, 0 nays. Motion passed.

8. *Call to Public.*

None.

9. *Discussion and possible approval of the Administrative Rules of Local Board Procedure for the SFMD Public Safety Personnel Retirement System (PSPRS) Local Board.*

Secretary Wood provided the Board with an overview of the changes made to the Administrative Rules originally adopted in January 2010:

- Update of the District name to Superstition Fire & Medical District.
- Section 1. Revision of the definition and length of Board member terms.
- Section 2. Update to reflect the need for the Board to meet twice a year.
- Section 10. Revision of who will preside as Acting Chairman.
- Section 16. Addition of definition of DROP program.

Motion by Board Member Rivera to approve the revised Administrative Rules of Local Board Procedure updated and presented to the Local Pension Board on April 7, 2015. Seconded by Board Member Geil. Vote 3 ayes, 0 nays. Motion passed.

10. *Discuss and review of Local Pension Board roles and responsibilities.*

Due to the fact that several of the current Board members were newly elected, Chairperson Gehrt had requested the following reference guides related to the roles and responsibilities of performing the duties of a Local Pension Board member be provided to the Board:

- Public Safety Personnel Retirement System – Local Board Duties
- PSPRS – Your Retirement System – Local Board Duties FAQs

No motion was required; this agenda item was for informational purposes only.

11. *Discussion and possible approval of regarding realignment of the Local Pension Board member length of service.*

Motion by Board Member Geil to approve the 4-year term of each SFMD Local Pension Board member other than the Chairperson, including the current board members, as beginning in January and ending in December four years later, with the term of citizen appointees beginning in odd years, and the term of elected employee members beginning in even years. The terms of the current Local Pension Board members will expire as follows: Ruth Heer in December 2015; Ryan Philips in December 2016; Jim Geil in December 2017, and Carlos Rivera in December 2018. In addition, a motion to approve the most senior Board member attending the meeting to serve as Acting Chairperson whenever the Chairperson is absent. Seconded by Board Member Rivera. Votes 3 ayes, 0 nays. Motion passed.

12. *Discussion and possible approval of the consolidated results of the June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation.*

Mr. Wood provided the Board with an overview of the PSPRS actuarial report dated June 30, 2014 which included:

- For the fiscal year ending June 30, 2014, the PRPRS fund experienced a loss of \$210,040,000 (2.0%) with the largest contributing factor being an overall loss on investments of \$281,753,000 (2.7%).
- The employee or individual contribution rate was set at 11.65% for FY15/16, up from 11.05% in FY14/15.
- A brief background on the Fields lawsuit, the Arizona Supreme Court's overturn of prior pension reforms regarding pension escalator factors, and the "prior to vs. after phase-in" terminology and impact.
- A brief overview of the Hall lawsuit and its potential impact on the PSPRS fund.

Motion by Board Member Rivera to approve the consolidated results of the June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation. Seconded by Board Member Geil. Votes 3 ayes, 0 nays. Motion passed.

13. *Discussion and possible approval of the annual actuarial valuation as of June 30, 2014 of the Superstition Fire & Medical District participation in the Arizona Public Safety Personnel Retirement System.*

Mr. Wood provided the Board with an overview of the District's PSPRS actuarial report dated June 30, 2014 which included:

- The District's employer contribution rate for FY15/16 is 20.32% prior to phase-in.
- The employee or individual contribution rate is 11.65%
- The Alternate Contribution Rate (ACR) for the District is 28.62% for FY15/16.
- As of June 30, 2014 for the District:
  - o Number of participants 96
  - o Average age 40.7 years
  - o Average service 12.6 years
  - o Number of retirees 12 (8 service and 4 disability pensions)
  - o Average annual pension \$47,516
  - o Pension Funding Ratio 75.5% (down from 80.5% as of 6/30/13)

Motion by Board Member Geil to approve the District's consolidated results of the June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation. Seconded by Board Member Rivera. Votes 3 ayes, 0 nays. Motion passed.

14. *Discussion and possible approval of Mike Farber's application to participate in the DROP program.*

This agenda item was tabled; no discussion was held.

15. *Announcements and Information.*

PSPRS Local Board Newsletters for the following periods were provided to the Board:

- o March / April 2014 Newsletter
- o May / June 2014 Newsletter
- o July / August 2014 Newsletter
- o September / October 2014 Newsletter
- o November / December 2014 Newsletter
- o January / February 2015 Newsletter

Mr. Wood stated that Board Member Ryan Philips had submitted his resignation from the Local Pension Board on April 2, 2015. The process of identifying Philips' successor would commence in the next few weeks with the intent of having his replacement available for seating at the next Local Pension Board meeting tentatively scheduled for July 14.

Chairperson Gehrt asked Mr. Wood to contact Ms. Heer to confirm she still is interested in being a Board Member on the Local Pension Board.

10. *Adjourn.*

Motion by Board Member Rivera to adjourn the meeting at 4:38 p.m. Seconded by Board Member Geil. Vote 3 ayes, 0 nays. Motion passed.

**Board Approval:**                    **Preliminary Board minutes mailed to PSPRS on April 13, 2015.**

\_\_\_\_\_  
*Gene Gehrt, Board Chairperson*

\_\_\_\_\_  
*Jim Geil, Board Member*

*Absent*  
\_\_\_\_\_  
*Ruth Heer, Board Member*

\_\_\_\_\_  
*Carlos Rivera, Board Member*

*Absent*  
\_\_\_\_\_  
*Ryan Philips, Board Member*

Roger Wood

## **Local Pension Board Meeting – July 20, 2015**

### **Agenda Item: 2**

#### **Agenda Item Title: Call to Public.**

A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

#### **Background / Discussion:**

Call to Public is provided so citizens may address the public body (Local Pension Board) with matters concerning the retirement system. Arizona public meeting law provides that the public body may discuss, consider, or decide only matters listed on the agenda and other matters related thereto. Since the public body will generally not know what specific matters may be raised at call to public, they will be unable to act until the matter is placed on a subsequent meeting agenda (at the Local Board's discretion). The Local Board may also direct staff to follow up on an issue.

**Recommended Motion:** Not applicable

**Enclosure:** None

## **Local Pension Board Meeting – July 20, 2015**

### **Agenda Item: 3**

**Agenda Item Title: Swearing in of Rueben Briones to fill the elected employee member position vacated by Ryan Philips.**

#### **Background / Discussion:**

SFMD's Local Pension Board adopted its Administrative Rules of Local Board Procedure at its April 7, 2015 Local Board meeting. The following is the relevant section of the Administrative Rules regarding the replacement of a Local Board member who resigns.

#### **1. Local Board Composition**

A.R.S. §38-847 defines the composition of the Local Board.

The 4-year term of each Local Board member, other than the Chairman, will begin in January and end in December four years later, with the term of the citizen appointees being filled in "odd" years (2015, 2017, etc.) and the term of elected employee members being filled in "even" years (2016, 2018, etc.). If an appointee does not start his/her term in January, the appointee's term will be deemed to have started in January. If someone resigns, their replacement will finish the current term.

Ryan Philips resigned his position on the Local Pension Board effective April 2, 2015.

On May 27, 2015, a communication was sent to all public safety employees at SFMD asking for the names of those interested in serving on the Local Pension Board to fill the vacant position. Rueben Briones communicated his interest. As there were no other volunteers, Rueben is the new Local Pension Board member.

Rueben will be sworn in as a member of the Local Pension Board at the July 14 meeting.

#### **Recommended Motion:**

*No motion is required; this agenda item is for informational purposes only.*



**Local Pension Board Meeting – July 20, 2015**

**Agenda Item: 4**

**Agenda Item Title: Discussion of Local Pension Board member and Board Secretary training events scheduled in August and September 2015.**

**Background / Discussion:**

PSPRS is offering Local Pension Board member and Local Secretary training on the following dates:

Local Board Training:

Date: August 5, 2015 (Wednesday)

Time: 9 AM to Noon

Location: Pima Community College at 1255 North Stone Avenue, Tucson, AZ 85709

Topic: Local Board Duties and Responsibilities and Local Board Secretary Duties

Date: September 16, 2015 (Wednesday)

Time: 9 AM to Noon

Location: PSPRS office at 3010 E Camelback, Suite 200 Phoenix, AZ 85016

Topic: Local Board Duties and Responsibilities and Local Board Secretary Duties

If you would like to sign up for one of these training events feel free to email [don@psprs.com](mailto:don@psprs.com) to reserve a seat.

**Recommended Motion:**

*No motion is required; this agenda item is for informational purposes only.*

**Local Pension Board Meeting – July 20, 2015**

**Agenda Item: 5**

**Agenda Item Title: Announcements and Information.**

*Local Board may direct staff to act on any of these items or request that they be added to the next meeting agenda.*

- None.

**Local Pension Board Meeting – July 14, 2015**

**Agenda Item: 6**

**Agenda Item Title: Adjourn.**

**Recommended Motion:** *Motion to adjourn the Local Pension Board meeting.*

**Enclosure:** None.